



**BELIZE**

**INCOME AND BUSINESS TAX ACT  
CHAPTER 55**

**REVISED EDITION 2003**  
SHOWING THE SUBSIDIARY LAWS AS AT 31ST OCTOBER, 2003

This is a revised edition of the Subsidiary Laws, prepared by the Law Revision Commissioner under the authority of the Law Revision Act, Chapter 3 of the Substantive Laws of Belize, Revised Edition 2000.

**ARRANGEMENT OF SUBSIDIARY LAWS**



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CHAPTER 55**

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**CHAPTER 55****EXEMPTION FROM TAX OF INTEREST ON  
PUBLIC LOANS PROCLAMATION****ARRANGEMENT OF REGULATIONS**

1. Short title.
2. Interest exempted.

**CHAPTER 55**

**EXEMPTION FROM TAX OF INTEREST ON  
PUBLIC LOANS PROCLAMATION**

*(Sections 10 and 11)*

Ch. 38.  
Ch. 46.  
77 of 1981.  
65 of 1986.

1. This Proclamation may be cited as the

Short title.

**EXEMPTION FROM TAX OF INTEREST  
ON PUBLIC LOANS PROCLAMATION.**

2. The interest payable on the following loans shall be exempt from income tax:-

Interest exempted.

the Railway and Public Works Loan, 1911;  
the Public Works Loan, 1921;  
the Housing Project Loan, 1981;  
the External Creditors Loans, 1986.

77 of 1981.  
65 of 1986.

**CHAPTER 55****INCOME TAX (CONCESSIONS FOR  
DEVELOPMENT) RULES****ARRANGEMENT OF RULES**

1. Short title.
  2. Interpretation.
  3. Allowance deduction.
  4. Deduction for wear and tear.
  5. Amount not set off against income.
  6. Particulars to be supplied.
  7. Issue of certificate.
  8. Power to cancel certificate.
  9. Record of particulars.
  10. Earlier expenditure.
-

**CHAPTER 55**

**INCOME TAX (CONCESSIONS FOR DEVELOPMENT) RULES**

*(Section 11)*

Ch. 38.  
Ch. 46.

1. These Rules may be cited as the

Short title.

**INCOME TAX (CONCESSIONS FOR DEVELOPMENT) RULES.**

2. In these Rules -

Interpretation.

“capital expenditure” means all expenses, wholly and exclusively incurred on an enterprise, in respect of which no provision for deduction or allowance, in whole or in part, is elsewhere made in or under the Income Tax Act;

CAP. 55.

“enterprise” means an industry or undertaking which, in the opinion of the Minister, is one specified in the Schedule to these Rules (hereinafter called the Schedule) and, except for the purposes of rule 10 of these Rules, is established after the 31st day of December, 1946;

“period of operation of an enterprise” means in the case of an enterprise specified in—

(a) Part I of the Schedule, fifteen years;

(b) Parts II and III of the Schedule, ten years; reckoned from and including the first year in which capital expenditure is incurred on such enterprise.

3. Subject to the provisions of these Rules -

Allowance deduction.

(1) For the purpose of ascertaining the chargeable income of any

person carrying on an enterprise specified in Part I of the Schedule there shall be allowed a deduction for the year in which capital expenditure is incurred, of an amount not exceeding fifty per centum of such expenditure and, for the next five years thereafter, of an amount not exceeding ten per centum of such expenditure.

(2) Paragraph (1) of this rule shall have effect in the case of an enterprise specified in -

- (a) Part II of the Schedule as if for the words “fifty per centum”, “five years” and “ten per centum” there were substituted respectively the words “forty per centum”, “three years” and “twenty per centum”;
- (b) Part III of the Schedule as if for the words “fifty per centum” and “five years” there were substituted respectively the words “twenty-five per centum” and “seven years”.

(3) Where the amount of the deduction hereinbefore specified is such that it cannot be wholly set off against the income for the same year, the amount of such allowance shall to the extent to which it is not allowed against the income for the same year be carried forward and shall be set off against what would otherwise have been the chargeable income for the remainder of the period of operation of the enterprise.

Deduction for wear and tear.

4. Where a deduction is allowed under these Rules for capital expenditure on property, including plant and machinery, no deduction shall, during the period of operation of an enterprise, be claimed or allowed on such property under section 12 of the Income Tax Act.

CAP. 55

Amount not set off against income.

5. The amount allowed under these Rules as a deduction for capital expenditure on property, including plant and machinery, shall, to the extent to



which such amount is not set off against income during the period of operation of an enterprise, be deemed to qualify, after such period, for deduction under section 12 of the Income Tax Act at the rate appropriate to the property in respect of which such expenditure was incurred.

CAP. 55.

6. Where a person is desirous of claiming any deduction for which provision is made in these Rules, such person shall, as soon as practicable, furnish to the Chief Executive Officer, in writing -

Particulars to be supplied.

- (a) particulars as to the nature of the enterprise and the locality in which it will be established;
- (b) the estimated amount of capital expenditure to be incurred thereon during the first twelve months and for the remainder of the period of operation of the enterprise;
- (c) where applicable, the conditions under which labour will be employed, including provisions for the housing of workers;
- (d) information as to the date on or before which –
  - (i) work on the enterprise will commence;
  - (ii) where the enterprise relates to the production of a commodity, the enterprise will produce in marketable quantities the product intended to be manufactured, grown or otherwise produced;
  - (iii) where the enterprise relates to the provision of residential or recreational facilities for travellers or tourists, such facilities will be

available;

- (e) such other information as the Chief Executive Officer may require.

Issue of certificate. 7. (1) The information called for in the preceding rule shall be considered by the Minister and if in his opinion -

- (a) the enterprise is one specified in the Schedule;
- (b) the proposals for the employment of labour and the housing of workers are satisfactory;
- (c) from the dates stated in pursuance of sub-paragraph (d) of the preceding rule, there will not be undue delay in establishing the enterprise,

he may direct that a certificate be issued by the Chief Executive Officer to the effect that capital expenditure on the enterprise qualifies for the deductions for which provision is made in these Rules and on the issue of the certificate such expenditure shall, subject to the provisions of these Rules, be deemed to qualify accordingly.

(2) A copy of such certificate shall be forwarded by the Chief Executive Officer to the Commissioner of Income Tax.

Power to cancel certificate.

8. If at any time after the issue of the certificate referred to in the preceding rule the Minister is satisfied, after taking into consideration any representations made by the person engaged in the enterprise that, as regards the enterprise in respect of which the certificate was issued –

- (a) the conditions relating to the employment of labour or the housing of workers are unsatisfactory; or

- (b) there has been undue delay in establishing the enterprise; or
- (c) there has been failure to comply with the requirements of the next following rule; or
- (d) information furnished to the Minister or to the Commissioner of Income Tax is, to the knowledge of the person furnishing such information, false in any material particular,

the Minister may cancel such certificate and thereupon -

- (i) capital expenditure on the enterprise shall cease to qualify for any deduction for which provision is made in these Rules; and
- (ii) the Minister may order that the tax which would, but for the provisions of these Rules, have been payable shall be paid and thereupon the said tax shall be deemed to be due and may be recovered accordingly.

9. Full particulars of all capital expenditure on which a deduction is claimed or allowed under these Rules shall be separately recorded in the books of the enterprise in respect of which such expenditure was incurred. Record of particulars.

10. Capital expenditure incurred after the 31<sup>st</sup> day of December, 1946, in expanding an enterprise established before that date shall, subject to the provisions of these Rules, qualify for the deductions for which provision is made herein. Earlier expenditure.

**SCHEDULE****Part I**

Agriculture

Cattle-raising and dairy-farming

Fisheries

Forestry

Industrial undertakings

**Part II**

Mining

**Part III**

Residential or recreational facilities for travellers or tourists.

A housing scheme approved as such by the Minister.

An industry or undertaking approved by the Minister as being (a) to the benefit of Belize or (b) for the welfare of the public or a particular section thereof.

**CHAPTER 55**

**INCOME TAX (CONCESSIONS FOR  
SPORTS DEVELOPMENT) RULES**

**ARRANGEMENT OF RULES**

1. Short title.
2. Amateur sports an approved purpose.
3. Ascertaining chargeable income.
4. Definitions.

**CHAPTER 55****INCOME TAX (CONCESSIONS FOR  
SPORTS DEVELOPMENT) RULES***(Section 11(3))**[21<sup>st</sup> June, 1980]*

- Short title. 1. These Rules may be cited as the
- INCOME TAX (CONCESSIONS FOR SPORTS  
DEVELOPMENT) RULES.**
- Amateur sports an approved purpose. 2. The development of amateur sports in Belize shall, to the extent permitted by these Rules, be an approved purpose within the meaning of section 11 (1) *(h)* *(ii)* of the Act.
- Ascertaining chargeable income. 3. (1) For the purpose of ascertaining the chargeable income for each person who proves to the satisfaction of the Commissioner that during the basis year he has made several absolute and immediate gifts of no less than \$50.00 each and aggregating \$500.00 or over taking effect in Belize for the development or promotion of amateur sports in Belize or for the improvement of sporting facilities or amenities in Belize, there shall be allowed a deduction for the amount of such gifts:
- Provided that no such deduction shall be allowed in any year of assessment in respect of any such gifts beyond an amount equal to one-sixth part of the chargeable income of such person estimated in accordance with the provisions of the Income Tax Act before taking the deductions specified in the rule.
- CAP. 55. (2) Where the amount of any such gifts in the basis year is such that it cannot be wholly deducted in the year of assessment, the amount of such gifts shall, to the extent to which it is not deducted, be carried forward

and shall, subject to the same limitation here as before imposed, be deducted from which would otherwise have been the chargeable income for the next five years in succession.

4. In these Rules –

Definitions.

“amateur sports” means any form of sports, games, pastime, physical training, physical recreation, body building and exercise which is or may from time to time be recognised by the Minister of Sports as a sport for the purposes of these Rules;

“sporting facilities or amenities” means such facilities and amenities as may from time to time be designated as such by the Minister of Sports.

**CHAPTER 55****INCOME TAX (RECOGNISED SPORTS  
AND FACILITIES) ORDER****ARRANGEMENT OF PARAGRAPHS**

1. Short title.
2. Qualifying sports.
3. Qualifying facilities.

**SCHEDULE**

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**CHAPTER 55**

**INCOME TAX (RECOGNISED SPORTS  
AND FACILITIES) ORDER**

*(Section 12)*

Ch. 46.  
11 of 1981.

*[28<sup>th</sup> February, 1981]*

1. This Order may be cited as the

Short title.

**INCOME TAX (RECOGNISED SPORTS  
AND FACILITIES) ORDER.**

2. The sports set out in the Schedule hereto are recognised amateur sports for the purposes of the Rules Governing Income Tax (Concessions for Sports Development) Rules.

Qualifying sports.

3. Such facilities and amenities as relate to the sports set out in the Schedule hereto and as are publicly owned or partly or wholly supported by funds provided by the Government are designated sporting facilities or amenities for the purposes of the Rules Governing Income Tax (Concessions for Sports Development) Rules.

Qualifying facilities.

**SCHEDULE**

1. Football
  2. Softball
  3. Basketball
  4. Cricket
  5. Tennis
  6. Boxing
  7. Body-building
  8. Weight-lifting
  9. Table-tennis
  10. Volleyball
  11. Darts
  12. Track & Field athletics
  13. Cycling
  14. Horse-racing
  15. Badminton
  16. Sailing.
-

**CHAPTER 55**

**INCOME TAX (NATIONAL DEVELOPMENT  
FOUNDATION OF BELIZE LIMITED) RULES**

**ARRANGEMENT OF RULES**

1. Short title.
2. Deductible contribution.

**CHAPTER 55**

40 of 1983.  
Ch. 46.

**INCOME TAX (NATIONAL DEVELOPMENT  
FOUNDATION OF BELIZE LIMITED) RULES**

*(Section 11 (1))*

*[11<sup>th</sup> June, 1983]*

Short title.

1. This Rule may be cited as the

**INCOME TAX (NATIONAL DEVELOPMENT  
FOUNDATION OF BELIZE LIMITED) RULES.**

Deductible  
contribution.

2. It is hereby expressly declared that all contributions made to the National Development Foundation of Belize Limited by any person during any basis year of not less than fifty dollars shall be deductible for the purpose of ascertaining the chargeable income of such person.

**CHAPTER 55**

**SUPREME COURT (INCOME TAX APPEALS) RULES**

**ARRANGEMENT OF RULES**

1. Short title.
2. Interpretation.
3. Place of hearing.
4. Address for service.
5. Grounds of appeal.
6. Service of summons.
7. Assessment form.
8. Evidence.
9. Affidavit of intended evidence.
10. Attendance for cross-examination.
11. Application for case stated.
12. Service of documents.
13. Practice and procedure.

**CHAPTER 55**

Ch. 38.

Ch. 46.

**SUPREME COURT (INCOME TAX APPEALS) RULES***(Section 43 (11))*

- Short title. 1. These Rules may be cited as the
- SUPREME COURT (INCOME TAX APPEALS) RULES.**
- Interpretation. 2. In these Rules, unless the context otherwise requires-
- CAP. 55. “Act” means Income and Business Tax Act;
- “assessment” means income tax assessment;
- “Commissioners” means Income Tax Commissioners;
- “filed” means filed in the Registry of the Supreme Court;
- “fixed date” means date fixed for the hearing of the appeal.
- Place of hearing. 3. Every appeal against an assessment shall be heard in Belize City, or, upon reasonable cause being shown, at such other place in Belize as may be ordered by the Court.
- Address for service. 4. Every notice under section 43 of the Act served on the Commissioners shall contain an address for service.
- Grounds of appeals. 5. The grounds of appeal shall be filed in the Registry by way of summons within fourteen days of the issue of the notice and shall contain a concise statement of the facts and points of law upon which the appellant intends to rely in support of his appeal.
- Service of summons. 6. The summons filed, together with supporting documents, shall be served

on the Commissioners not less than 21 days after the service of the aforesaid notice of appeal to the Commissioners and not less than 28 days before the fixed date.

7. Within 14 days of the service of the summons upon them the Commissioners shall file in the Registry a copy of the relevant income tax assessment form, showing in full detail how the assessment was made up, and a statement of their reasons in support of the said assessment and within 7 days serve upon the appellant copies of all such documents so filed. Assessment form.

8. The parties to an appeal shall be entitled to tender evidence orally, or by affidavit at the hearing of the appeal: Evidence.

Provided that notice of intention to tender oral evidence and the nature of such evidence shall be filed in the Registry and a copy of such notice shall be served on the opposite party at least 7 days before the fixed date.

9. Except by leave of the Court, affidavits containing evidence to be used at the hearing shall be filed and copies served on the opposite party not less than 7 days before the fixed date: Affidavit of intended evidence.

Provided that counter affidavits rebutting the aforesaid affidavits may be filed by the opposite party and served not later than 3 days before the fixed date.

10. Either party may, by notice served upon the opposite party not less than 2 days before the fixed date, require the attendance at the hearing for the purpose of cross-examination of the deponent of any affidavit or counter affidavit filed by the parties. Attendance for cross-examination.

11. Any application to the Court to state a case under subsection 43 (12) of the Act shall be filed within 7 days of the delivery of the decision of the Court and a copy thereof served on the opposite party at the same time. Such application shall set out the sections of law upon which a case to be stated is Application for case stated.

requested.

Service of documents.

12. All documents required by the Act and these Rules to be served

(a) on the Commissioners, shall be served at the Income Tax Office on the Commissioner of Inland Revenue or any person employed by the Commissioners; or

(b) on the appellant, at the address for service set out in the Notice of Appeal or any person resident at or belonging to such place,

within such time as may be fixed by Rules of the Supreme Court.

Practice and procedure.

13. (1) Save as aforesaid, the procedure and practice for the time being of the Supreme Court, so far as it may be applicable shall be followed.

Scale of costs.  
CAP. 82.

(2) All costs and fees shall be on scale allowed under the Supreme Court of Judicature Act.



**CHAPTER 55**

**DOUBLE TAXATION RELIEF**  
**(TAXES ON INCOME) (UNITED KINGDOM) ORDER**

**ARRANGEMENT OF PARAGRAPHS**

1. Short title.
2. Declaration.

**SCHEDULE**

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**CHAPTER 55**

Ch. 38.  
Ch. 46.  
9 of 1969.  
45 of 1973.

**DOUBLE TAXATION RELIEF**  
**(TAXES ON INCOME) (UNITED KINGDOM) ORDER**  
*(Section 50)*

- Short title.           1.       This Order may be cited as the
- DOUBLE TAXATION RELIEF (TAXES ON INCOME)**  
**(UNITED KINGDOM) ORDER.**
- Declaration.         2.       It is hereby declared -
- Schedule.           (a)       that the arrangements specified in the Arrangement set out in the Schedule to this Order have been made with Her Majesty's Government in the United Kingdom with a view to affording relief from double taxation in relation to income tax and any tax of a similar character imposed by the laws of the United Kingdom; and
- (b)       that it is expedient that these arrangements should have effect.

**SCHEDULE**

**ARRANGEMENT BETWEEN HER MAJESTY’S GOVERNMENT IN THE UNITED KINGDOM AND THE GOVERNMENT OF BELIZE FOR THE AVOIDANCE OF DOUBLE TAXATION AND THE PREVENTION OF FISCAL EVASION WITH RESPECT TO TAXES ON INCOME.**

- 1. (1) The taxes which are the subject of this Arrangement are -
  - (a) In the United Kingdom:

The income tax (including surtax) and the profits tax (hereinafter referred to as “United Kingdom tax”).
  - (b) In Belize:

The income tax (including surtax) (hereinafter referred to as “Belize tax”).
- (2) This Arrangement shall also apply to any other taxes of a substantially similar character imposed in the United Kingdom or Belize after this Arrangement has come into force.
- 2. (1) In this Arrangement, unless the context otherwise requires-
  - (a) The term “United Kingdom” means Great Britain and Northern Ireland, excluding the Channel Islands and the Isle of Man.
  - (b) The terms “one of the territories” and “the other territory” mean the United Kingdom or Belize, as the context requires.
  - (c) The term “tax” means United Kingdom tax or Belize tax, as the context requires.
  - (d) The term “person” includes any body of persons, corporate or not

corporate.

- (e) The term “company” includes any body corporate.
- (f) The terms “resident of the United Kingdom” and “resident of Belize” mean respectively any person who is resident in the United Kingdom for the purposes of United Kingdom tax and not resident in Belize for the purposes of Belize tax and any person who is resident in Belize for the purpose of Belize tax and not resident in the United Kingdom for the purposes of United Kingdom tax; and a company shall be regarded as resident in the United Kingdom if its business is managed and controlled in the United Kingdom and as resident in Belize if its business is managed and controlled in Belize.
- (g) The terms “resident of one of the territories” and “resident of the other territory” mean a person who is a resident of the United Kingdom or a person who is a resident of Belize, as the context requires.
- (h) The terms “United Kingdom enterprise” and “Belize enterprise” mean respectively an industrial or commercial enterprise or undertaking carried on by a resident of the United Kingdom and an industrial or commercial enterprise or undertaking carried on by a resident of Belize; and the terms “enterprise of one of the territories” and “enterprise of the other territory” mean a United Kingdom enterprise or a Belize enterprise, as the context requires.
- (i) The term “industrial or commercial profits” includes rentals in respect of cinematograph films.
- (j) The term “permanent establishment when used with respect to an enterprise of one of the territories, means a branch, management or other fixed place of business, but does not include an agency

unless the agent has, and habitually exercises, a general authority to negotiate and conclude contracts on behalf of such enterprise or has a stock of merchandise from which he regularly fills orders on its behalf.

An enterprise of one of the territories shall not be deemed to have a permanent establishment in the other territory merely because it carries on business dealings in that other territory through a *bona fide* broker or general commission agent acting in the ordinary course of his business as such.

The fact that an enterprise of one of the territories maintains in the other territory a fixed place of business exclusively for the purchase of goods or merchandise shall not of itself constitute that fixed place of business a permanent establishment of the enterprise.

The fact that a company which is a resident of one of the territories has a subsidiary company which is a resident of the other territory or which is engaged in trade or business in that other territory (whether through a permanent establishment or otherwise) shall not of itself constitute that subsidiary company a permanent establishment of its parent company.

(2) Where under this Arrangement any income is exempt from tax in one of the territories if (with or without other conditions) it is subject to tax in the other territory, and that income is subject to tax in that other territory by reference to the amount thereof which is remitted to or received in that other territory, the exemption to be allowed under this Arrangement in the first-mentioned territory shall apply only to the amount so remitted or received.

(3) In the application of the provisions of this Arrangement by the United Kingdom or Belize, any term not otherwise defined shall, unless the context otherwise requires, have the meaning which it has under the laws of the United Kingdom, or, as the case may be, Belize, relating to the taxes which are the subject of this Arrangement.

3. (1) The industrial or commercial profits of a United Kingdom enterprise shall not be subject to Belize tax unless the enterprise is engaged in trade or business in Belize through a permanent establishment situated therein. If it is so engaged, tax may be imposed on those profits by Belize but only on so much of them as is attributable to that permanent establishment.

(2) The industrial or commercial profits of a Belize enterprise shall not be subject to United Kingdom tax unless the enterprise is engaged in trade or business in the United Kingdom through a permanent establishment situated therein. If it is so engaged, tax may be imposed on those profits by the United Kingdom, but only on so much of them as is attributable to that permanent establishment.

(3) Where an enterprise of one of the territories is engaged in trade or business in the other territory through a permanent establishment situated therein, there shall be attributed to that permanent establishment the industrial or commercial profits which it might be expected to derive from its activities in that other territory if it were an independent enterprise engaged in the same or similar activities under the same or similar conditions and dealing at arm's length with the enterprise of which it is a permanent establishment.

(4) No portion of any profits arising from the sale of goods or merchandise by an enterprise of one of the territories shall be attributed to a permanent establishment situated in the other territory by reason of the mere purchase of the goods or merchandise within that other territory.

4. Where -

- (a) an enterprise of one of the territories participates directly or indirectly in the management, control or capital of an enterprise of the other territory, or
- (b) the same persons participate directly or indirectly in the management, control or capital of an enterprise of one of the territories and an enterprise of the other territory, and
- (c) in either case conditions are made or imposed between the two enterprises, in their commercial or financial relations, which differ from those which would be made between independent enterprises,

then any profits which would but for those conditions have accrued to one of the enterprises but by reason of those conditions have not so accrued may be included in the profits of that enterprise

and taxed accordingly.

5. Notwithstanding the provisions of paragraph 3 and 4, profits which a resident of one of the territories derives from operating ships or aircraft shall be exempt from tax in the other territory.

6. (1) (a) Dividends paid by a company which is a resident of the United Kingdom to a resident of Belize may be taxed in Belize.

(b) Where a resident of Belize is entitled to a tax credit in respect of such a dividend under sub-paragraph (2) of this paragraph tax may also be charged in the United Kingdom, and according to the laws of the United Kingdom, on the aggregate of the amount or value of that dividend and the amount of that tax credit at a rate not exceeding 15 per cent.

(c) Except as aforesaid, dividend paid by a company which is a resident of the United Kingdom to a resident of Belize who is subject to tax in Belize on them shall be exempt from any tax in the United Kingdom which is chargeable on dividends.

(2) A resident of Belize who receives dividends from a company which is a resident of the United Kingdom shall, subject to the provisions of subparagraph (3) of this paragraph and provided he is subject to tax in Belize on those dividends, be entitled to the tax credit in respect thereof to which an individual resident in the United Kingdom would have been entitled had he received those dividends, and to the payment of any excess of that tax credit over his liability to the United Kingdom tax.

(3) Sub-paragraph (2) of this paragraph shall not apply where the recipient of the dividend is a company which, either alone or together with one or more associated companies, controls directly or indirectly at least 10 per cent of the voting power in the company paying the dividend. For the purposes of this sub-paragraph two companies shall be deemed to be associated if one is controlled directly or indirectly by the other, or both are controlled directly or indirectly by a third company.

(4) Dividends paid by a company which is a resident of Belize to a resident of the United Kingdom who is subject to tax in the United Kingdom in respect thereof shall be exempt from any tax in Belize which is chargeable on dividends in addition to the tax chargeable in respect of the profits or income of the company.

(5) The term “dividends” as used in this paragraph means income from shares, or any other item which, under the law of the territory of which the company paying the dividend is a resident, is treated as a dividend or distribution of the company.

(6) If the recipient of a dividend is a company which owns 10 per cent or more of the class of shares in respect of which the dividend is paid then sub-paragraphs (1) and (2) or, as the case maybe, sub-paragraph (4) of this paragraph shall not apply to the dividend to the extent that it can have been paid only out of profits which the company paying the dividend earned or other income which it received in a period ending twelve months or more before the relevant date. For the purposes of this subparagraph the term “relevant date” means the date on which the beneficial owner of the dividend became the owner of 10 per cent or more of the class of shares in question:

Provided that this sub-paragraph shall not apply if the beneficial owner of the dividend shows that the shares were acquired for *bona fide* commercial reasons and not primarily for the purpose of securing the benefit of this paragraph.

(7) The provisions of sub-paragraphs (1) and (2) or, as the case may be, sub-paragraph (4) of this paragraph shall not apply where a resident of one of the territories has in the other territory a permanent establishment and the holding by virtue of which the dividends are paid is effectively connected with a business carried on through that permanent establishment. In such a case the provisions of paragraph 3 shall apply.

(8) Where a company which is a resident of one of the territories derives profits or income from sources within the other territory, the Government of that other territory shall not impose any form of taxation on dividends paid by the company to persons not resident in that other territory, or any tax in the nature of an undistributed profits tax on undistributed profits of the company, by reason of the fact that those dividends or undistributed profits represent, in whole or in part, profits or income so derived.



7. (1) Any royalty derived from sources within one of the territories by a resident of the other territory who is subject to tax in that other territory in respect thereof and is not engaged in trade or business in the first-mentioned territory through a permanent establishment situated therein, shall be exempt from tax in that first-mentioned territory; but no exemption shall be allowed under this paragraph in respect of so much of any royalty as exceeds an amount which represents a fair and reasonable consideration for the rights for which the royalty is paid.

(2) In this paragraph the term “royalty” means any royalty or other amount paid as consideration for the use of, or for the privilege of using, any copyright, patent, design, secret process or formula, trademark, or other like property, but does not include a royalty or other amount paid in respect of the operation of a mine or quarry or of other extraction of natural resources.

8. (1) Remuneration, including pensions, paid by the Government of one of the territories to any individual for services rendered to that Government in the discharge of governmental functions shall be exempt from tax in the other territory if the individual is not ordinarily resident in that other territory or (where the remuneration is not a pension) is ordinarily resident in that other territory solely for the purpose of rendering those services.

(2) The provisions of this paragraph shall not apply to payments in respect of services rendered in connection with any trade or business carried on by either of the Governments for the purposes of profit.

9. (1) An individual who is a resident of the United Kingdom shall be exempt from Belize tax on profits or remuneration in respect of personal (including professional) services performed within Belize in any year of assessment if -

- (a) he is present within Belize for a period or periods not exceeding in the aggregate 183 days during that year, and
- (b) the services are performed for or on behalf of a person resident in the United Kingdom, and
- (c) the profits or remuneration are subject to United Kingdom tax.

(2) An individual who is a resident of Belize shall be exempt from United Kingdom tax on profits or remuneration in respect of personal (including professional) services performed within the United Kingdom in any year of assessment if-

- (a) he is present within the United Kingdom for a period or periods not exceeding in the aggregate 183 days during that year, and
- (b) the services are performed for or on behalf of a person resident in Belize, and
- (c) the profits or remuneration are subject to Belize tax.

(3) The provisions of this paragraph shall not apply to the profits of remuneration of public entertainers such as stage, motion picture or radio artists, musicians and athletes.

10. (1) Any pension (other than a pension paid by the Government of Belize for services rendered to it in the discharge of governmental functions) and any annuity, derived from sources within Belize by an individual who is a resident of the United Kingdom and subject to United Kingdom tax in respect thereof, shall be exempt from Belize tax.

(2) Any pension (other than a pension paid by the Government of the United Kingdom for services rendered to it in the discharge of governmental functions) and any annuity, derived from sources within the United Kingdom by an individual who is a resident of Belize and subject to Belize tax in respect thereof, shall be exempt from United Kingdom tax.

(3) The term “annuity” means a stated sum payable periodically at stated times, during life or during a specified or ascertainable period of time, under an obligation to make the payments in consideration of money paid.

11. The remuneration derived by a professor or teacher who is ordinarily resident in one of the territories, for teaching, during a period of temporary residence not exceeding two years, at a university, college, school or other educational institution in the other territory, shall be exempt from tax in that other territory.

12. A student or business apprentice from one of the territories who is receiving full-time education or training in the other territory shall be exempt from tax in that other territory on payments made to him by persons in the first-mentioned territory for the purposes of his maintenance, education or training.

13. (1) Subject to the provisions of the law of the United Kingdom regarding the allowance as a credit against United Kingdom tax of tax payable in a territory outside the United Kingdom (which shall not affect the general principle hereof)-

- (a) Belize tax payable under the laws of Belize, and in accordance with this Arrangement whether directly or by deduction, on profits or income from sources within Belize shall be allowed as a credit against any United Kingdom tax computed by reference to the same profits or income by reference to which the Belize tax is computed:

Provided that in the case of a dividend the credit shall only take into account such tax in respect thereof as is additional to any tax payable by the company on the profits out of which the dividend is paid and is ultimately borne by the recipient without reference to any tax so payable;

- (b) Where a company which is a resident of Belize pays a dividend to a company resident in the United Kingdom which controls directly or indirectly at least 10 per cent of the voting power in the first mentioned company, the credit shall take into account (in addition to any Belize tax for which credit may be allowed under (a) of this sub-paragraph) the Belize tax payable by that first mentioned company in respect of the profits out of which such dividend is paid.

(1A) For the purposes of sub-paragraph (1) of this paragraph, the term “Belize tax payable” shall be deemed to include any amount which would have been payable as Belize tax for any year but for an exemption or reduction of tax granted for that year or any part thereof under:

- (a) the provisions of the Development Incentives Act, so far as it was in force on, and has not been modified since, the date when this Supplementary Arrangement came into force, or has been modified only in minor respects so as not to affect its general character; or
- (b) any other provision which may subsequently be made granting exemption or reduction of tax which is agreed by the taxation authorities of the United Kingdom and Belize to be of substantially similar character, if it has not been modified thereafter or has been modified only in minor respects so as not to affect its general character.

(2) Subject to the provisions of the law of Belize regarding the allowance as a credit against Belize tax or tax payable in a territory outside Belize (which shall not affect the general principle hereof)-

- (a) United Kingdom tax payable under the laws of the United Kingdom and in accordance with this Arrangement, whether directly or by deduction, on profits or income from sources within the United Kingdom shall be allowed as a credit against any Belize tax computed by reference to the same profits or income by reference to which the United Kingdom tax is computed:

Provided that in the case of a dividend the credit shall only take into account such tax in respect thereof as is additional to any tax payable by the company on the profits out of which the dividend is paid and is ultimately borne by the recipient without reference to any tax payable;

- (b) where a company which is a resident of the United Kingdom pays a dividend to a company resident in Belize which controls directly or indirectly at least 10 per cent of the voting power in the first mentioned company, the credit shall take into account (in addition to any United Kingdom tax for which credit may be allowed under (a) of this sub-paragraph) the United Kingdom tax payable by that first mentioned company in respect of the profits out of which

such dividend is paid.

(3) For the purposes of this paragraph profits of remuneration for personal (including professional) services performed in one of the territories shall be deemed to be income from sources within that territory, and the services of an individual whose services are wholly or mainly performed in ships or aircraft operated by a resident of one of the territories shall be deemed to be performed in that territory.

(4) Where Belize income tax is payable for a year for which this Arrangement has effect in respect of any income in respect of which United Kingdom income tax is payable for a year prior to the year beginning on the 6th April, 1947, then-

- (a) in the case of a person resident in Belize, the Belize tax shall, for the purposes of sub-paragraph (2) of this paragraph, be deemed to be reduced by the amount of any relief allowable in respect thereof under the provisions of section 27 of the United Kingdom Finance Act, 1920; and
- (b) in the case of a person resident in the United Kingdom, the provisions of section 47 of the Belize Income Tax Act shall apply for the purposes of the allowance of relief from the Belize tax.

14. (1) The taxation authorities of the United Kingdom and Belize shall exchange such information (being information available under their respective taxation laws) as is necessary for carrying out the provisions of this Arrangement or for the prevention of fraud or the administration of statutory provisions against legal avoidance in relation to the taxes which are the subject of this Arrangement. Any information so exchanged shall be treated as secret and shall not be disclosed to any persons other than those concerned with the assessment and collection of the taxes which are the subject of this Arrangement. No information shall be exchanged which would disclose any trade secret or trade process.

(2) As used in this paragraph, the term “taxation authorities” means the Commissioners of Inland Revenue or their authorised representative in the case of the United Kingdom and the Commissioners of Income Tax or their authorised representative in the case

of Belize.

15. This Arrangement shall come into force on the date on which the last of all such things shall have been done in the United Kingdom and Belize as are necessary to give the Arrangement the force of law in the United Kingdom and Belize respectively, and shall thereupon have effect-

- (a) in the United Kingdom, as respects income tax for the year of assessment beginning on the 6th day of April, 1947, and subsequent years; as respects surtax for the year of assessment beginning on the 6th day of April, 1946 and subsequent years; and as respects profits tax for any chargeable accounting period beginning on or after the first day of January, 1947, and for the unexpired portion of any chargeable accounting period current at that date;
- (b) in Belize, as respects income tax (including surtax) for the year of assessment beginning on the first day of January, 1947, and subsequent years.

16. This Arrangement shall continue in effect indefinitely but either of the Governments may, on or before the 30th day of June in any calendar year after the year 1948, give notice of termination to the other Government and, in such event, this Arrangement shall cease to be effective-

- (a) in the United Kingdom as respects income tax for any year of assessment beginning on or after the 6th day of April in the calendar year next following that in which such notice is given; as respects surtax for any year of assessment beginning on or after the 6th day of April in the calendar year in which notice is given; and as respects profits tax for any chargeable accounting period beginning on or after the first day of January in the calendar year next following that in which such notice is given and for the unexpired portion of any chargeable accounting period current at that date;
- (b) in Belize, as respects income tax (including surtax) for any year of

assessment beginning on or after the first day of January in the calendar year next following that in which such notice is given.

**CHAPTER 55****INCOME TAX RULES****ARRANGEMENT OF RULES**

1. Short title.
2. Forms.
3. [Repealed].
4. Calculation of wear and tear.
5. Deductions not allowed.
6. Annuities.
7. [Repealed].

**SCHEDULE**

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**CHAPTER 55**

**INCOME TAX RULES**

*(Section 94)*

Ch. 38.  
Ch. 46.  
32 of 1967.  
8 of 1974.

1. These Rules may be cited as the

Short title.

**INCOME TAX RULES.**

2. The forms in the Schedule hereto shall be the forms used by the Commissioners in pursuance of their duties under the Income and Business Tax Act.

Forms.  
CAP. 55.

3. [Repealed].

4. All allowances in respect of wear and tear under sections 11(1) (c) and 12 of the Act shall be calculated on the written down or diminished value of the machinery or plant. Such written down value shall be arrived at by deducting year by year from the original cost of the machinery or plant, the annual wear and tear, calculated at the percentage rates allowed by the Commissioner, which has occurred since the purchase of such machinery or plant, and the allowance for wear and tear when so arrived at shall be included as a trade expense of the year of the profits and gains of which are chargeable under the Act, and in which year such machinery or plant were in actual use.

Calculation of wear and tear.

5. No deduction for wear and tear shall be allowed for any year if the deduction, when added to the deductions allowed on that account for any previous years to the person by whom the business or trade is carried on, will make the aggregate amount of the deductions exceed the actual cost to such person or lessor of the machinery or plant, including in that actual cost any expenditure in the nature of capital expenditure on the machinery or plant, by way of renewal improvement or re-instatement. If for the purpose of any allowance under this rule the Commissioner is satisfied that, owing to the absence of full records, the precise date or dates of the original purchase or the cost

Deductions not allowed.

price of the machinery or plant cannot be furnished, they may to the best of their judgment and from such information as is available, make an approximate estimate of the present written down or diminished value from cost on which to make the percentage allowance.

Annuities.

6. For the purpose of ascertaining the chargeable income of any person there shall be a deduction allowed for annuities.

7. [Repealed].

**SCHEDULE**

**Form No. 1**

Page 1

File No. ....

District .....

No. of Assessment .....

**INCOME TAX**

Year of Assessment ending 31<sup>st</sup> December, 2 .....

**RETURN OF INCOME AND CLAIM FOR ALLOWANCES**

*(Income and Business Tax Act)*

To ..... of .....

In pursuance of the provisions of the Income and Business Tax Act you are required to make on this form a true and correct return of all the sources of your income and of the amount from each source for the year ended on the ..... day of ....., 2..... . The declaration on page 3 must be signed and the form sent back to me at the Income Tax Office, on or before the 31st March, 2 .....

Dated this ..... day of ....., 2 .....

.....  
*Assessor of Income Tax.*

**NOTE:** A person in the Districts (except Belize) may address this return to the Assessor of the District where such person resides.

To enable your assessment for the year to be made correctly, you should also give particulars of the allowances and deductions you claim.

If you require assistance in filling up this form, application should be made to the Income Tax Office, Belize City, or to the Assessor of the District where such person resides.

If further information is desired on any particular point, you should apply to the Assessor, Income Tax Office, Belize City.

### **NOTE SPECIALLY**

1. Any person required to make a Return who wilfully fails duly to furnish the same is liable to a penalty of \$500 and in default of payment to imprisonment for a term not exceeding six months, and/or double the amount of income tax and surtax with which he ought to be charged.
2. Any person knowingly making any false statement or false representations, in any Income Tax Return, or keeping and preparing false accounts of any profits, chargeable to Income Tax, shall be liable to a fine not exceeding \$500 and treble the amount of tax with which he ought to be charged or to imprisonment for a term not exceeding six months.
3. Any person aiding or abetting in such offences shall be liable to a fine not exceeding five hundred dollars or to imprisonment for a term not exceeding six months.

### **PERSONS LIABLE TO ASSESSMENT TO INCOME TAX**

(1) All persons (which term includes all Companies, Corporations, Societies, and other Bodies of persons, whether Corporate or not Corporate), are liable to assessment on their total incomes derived or accruing from all sources both in and out of Belize in respect of-

- (a) trade, business, profession or vocation;
- (b) dividends, interest or discounts;
- (c) employment, pension charge or annuity; and
- (d) rents, royalties, premiums and any other profits arising from property.

**NON-RESIDENTS IN BELIZE**

(2) The income arising or accruing to any person not residing in Belize, must be returned under the respective “Heads” on page 2 hereof and the name of an Agent or other representative in Belize of such non-resident person given.

In the case of a Firm carrying on Business in Belize, the proprietors of which, or partners therein, are resident out of Belize, the full profits and shares of the profits of such non-resident proprietors or partners are returnable by the Attorney, Agent or representative of such non-resident proprietors or partners.

**DECLARATION AS TO PARTNERS IN A FIRM AND THE  
DIVISION OF THE PARTNERSHIP PROFITS**

**SECTION I**

Particulars of the share of each partner in the partnership profits of the firm as entered on Page 2 including interest on capital and salaries of partners.

Names of Partners as at	Residence of Partners	State whether personality acting in the Partnership	Basis of Distribution of the Partnership Profits	Amount of each Partner's Share of Profits

Date .....

.....

*Precedent Acting Partner*

**SECTION 2**

**DECLARATION TO BE MADE BY A BRITISH  
SUBJECT OR A PERSON RESIDENT IN BELIZE**

I DECLARE THAT -

\* I am a resident in Belize

\* I am a resident of Belize

Given under my hand this ..... day of ....., 2 .....

..... Signature

..... Residence

*\*Strike out portion not applicable*

THE SUBSIDIARY LAWS OF BELIZE

REVISED EDITION 2003

[ Printed by the Government Printer,  
No. 1 Power Lane,  
Belmopan, by the authority of  
the Government of Belize. ]

Page 2

SECTION 3	SOURCES OF INCOME UNDER EACH HEAD	
HEADS OF INCOME (Column 1)	If no income is returnable under any of the Heads below, the word "None" should be entered in the money column (3). In no case must such column be left blank. (Column 2)	AMOUNT OF INCOME (Column 3)
A	Income accruing, derived or received from Rents, Royalties and other profits arising from property.  Attach statement showing (1) Situation of the property (2) Name of Tenants (3)Gross Rent (4) Particulars of any deduction claimed, eg., Rates , Taxes, (not including Income Tax) Repairs and Insurance, but not including exhaustion, Wear and Tear.	
A1	Annual value of land and improvements thereon used by or on behalf of the owner or used rent free by the occupier, for the purpose of residence or enjoyment and not for the purpose of gain or profit, such annual value deemed to be 5% of the capital value \$ .....	
B	Profits derived from the working of Estates or the occupation and cultivation of Land of every description. Net Income as per Statement attached hereto.  Value of produce consumed on Farm by taxpayer and his family. .....	

<b>C</b>	<p>Income arising from Dividends, Annuities, Interest on Mortgage Loans deposit or current a/cs. in Banks, etc., (including the Government Savings Bank), Building Society Interest and Bonus, or from any similar source.</p> <p>Attach Statement showing full details of the gross income from each source. N.B. - In the case of dividends derived from Companies registered in Belize the gross amount should be returned and the Certificates attached so that the appropriate relief may be granted.</p>	
<b>C1</b>	Income arising from any source whatsoever outside Belize e.g., Interest, Dividends, Shares, Rents, Professions, Securitates, etc.	
<b>D</b>	<p>Profits or Gains derived from any Profession, Business, Trade, Adventure or Concern in the Nature of Trade or Vocation.</p> <p>Description ..... Address .....</p> <p>Attach Trading, Profit and Loss accounts and Balance Sheet, with an "Adjusting Statement" for Income Tax purposes.</p>	
<b>E</b>	<p>Employment, Office or Pension - Nature of Employment .....</p> <p>Gross Salary or Wages (including Commission, Bonus, Overtime, etc.) .....</p> <p>Annual value if any quarters, board, residence or other allowance granted in respect of employment whether in money or otherwise. Pensions received from .....</p>	



<b>F</b>	Wife's Income from all Sources: Attach a Statement giving details of the Income.	
<b>G</b>	Income from Casual Profits of every description or from sources not enumerated above.  Attach a Statement describing the nature of the "Casual Profits" showing precisely how the profit returned was arrived at.	
	<b>TOTAL TAX INCOME RETURNED \$</b>	

<b>SECTION 4</b>	<b>DEDUCT:</b> Exhaustion, Wear and Tear.												
	Attach a Statement showing (1) Subjects on which the allowance is claimed, (2) Values at the commencement of the preceding year, (3) Rate per cent. claimed, (4) What sums if any, are written off in the Proprietor's Accounts.												
	<b>DEDUCT:</b> "ENCUMBRANCES" on above Income, viz												
	<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 15%;">Mortgages or Loans</td> <td style="width: 15%;">Name and full address of person to whom payable</td> <td style="width: 15%;">On what secured</td> <td style="width: 15%;">For what precise purpose incurred</td> <td style="width: 15%;">Amount paid for the preceding year ending 2 .....</td> </tr> <tr> <td></td> <td></td> <td></td> <td></td> <td style="text-align: center;">(insert date)</td> </tr> </table>	Mortgages or Loans	Name and full address of person to whom payable	On what secured	For what precise purpose incurred	Amount paid for the preceding year ending 2 .....					(insert date)		
Mortgages or Loans	Name and full address of person to whom payable	On what secured	For what precise purpose incurred	Amount paid for the preceding year ending 2 .....									
				(insert date)									
<b>SECTION 5</b>	\$.....at .....% ..... \$.....at .....% ..... \$.....at .....% ..... Other legal obligations (if any) ..... (State nature and name and address of person to whom payable)	\$	c										
	N.B. - Voluntary payments or allowances are not deductible.												
	<b>NET INCOME \$</b>												

**SECTION 6**

**CLAIM FOR RELIEF IN RESPECT OF WIFE**

See Note 8 (b) on page 4.

Full Christian Names of Wife	Date of Marriage

**SECTION 7**

**CLAIM FOR RELIEF IN RESPECT OF CHILDREN**

See Note 8 (c) on page 4.

Name of each Child		Date of Birth			Place of Birth	Whether child or stepchild, or adopted child.
Surname	Full Christian Names	Day	Month	Year		

**SECTION 8****CLAIM FOR RELIEF IN RESPECT OF DEPENDANT RELATIVES**

See Note 8 (d) on page 4.

Name of widowed mother or incapacitated relative		Relationship to you or your wife	Date of Birth	Annual Income of relatives from all sources	Nature of Infirmary
Surname	Christian Names				

	Where resided, if not with you, state amount of your contribution	Amount contributed by any other relative, if none, write 'none'	

**SECTION 9**

**CLAIM FOR DEDUCTION IN RESPECT OF LIFE INSURANCE  
AND WIDOW'S AND ORPHANS' PENSION FUND**

See Note 8 (e) on page 4.

NOTE:- No allowance can be claimed for Premiums on the lives of persons other than the Taxpayer or his wife.

State whether the Assurance is on the life of "Self" or "Wife"	Name of Insurance Company, etc.	Amount of Premiums paid during the year ended 31st December, 2 .....		State by whom the Premiums were paid
	<b>TOTAL \$</b>			

## SECTION 10

## DECLARATION WHICH MUST BE COMPLETED AND SIGNED

I, ..... of ..... as the \* ..... declare that to the best of my judgment and belief, this form contains a true and correct return of all sources of income and of the amount derived from each source in respect of the year ended on the ..... day of ....., 2 ....., computed in accordance with the provisions of the Income and Business Tax Act and that all the particulars, given by me in the claim for allowances for the year are truly and correctly stated.

Given under my hand this ..... day of ....., 2 .....

..... Signature

(A woman should state after her signature whether married, widow, or spinster.)

..... Address

\*State whether the Return is made - (i) On your behalf, (ii) As the Precedent Partner for the time being of a Firm, (iii) As the Secretary or other responsible Officer of any Corporate Body, (iv) As the Attorney, Agent, Factor, Trustee, Manager, etc. and for whom, (v) As Trustee, Executor, Administrator, etc., and for which Estate, etc.

**N.B.** - In the case of a Firm, the General Declaration above must be made by the Precedent Partner for the time being, or in cases where none of the partners is resident in Belize, by the Attorney, Manager, Agent, etc.

**NOTES FOR GUIDANCE IN COMPLETING INCOME TAX RETURNS**

1. Incomes Liable To Belize Income Tax.

- (a) Incomes of all persons resident in Belize whether received in Belize or not.
- (b) Incomes of persons (whether British subjects or not) to the extent that the incomes were derived from sources within Belize or received in Belize.

Exemptions include:-

- 1. Incomes of any Statutory or Registered Building or Friendly Society.
- 2. The official emoluments of Consuls and Vice Consuls.
- 3. Incomes of Charitable Corporations or Associations where not derived from Trade or business.
- 4. Wound and Disability pensions granted to members of Her Majesty's Forces.

2. Year of Assessment.

The year of Assessment is the year ending the 31<sup>st</sup> December and Income Tax is assessed in every year in respect of the income derived or received in the immediately preceding year ending 31<sup>st</sup> December. The Income Tax Commissioners may, however, permit any person to be assessed in respect of income derived or received during a period of twelve months ending at any date within the preceding year.

3. Responsibility For Rendering Returns And Of Agents, Trustees, Executors, Etc.

Every person liable to Income Tax is required to notify the Commissioners within three months of the commencement of the year of Assessment.

A Trustee, Guardian, Attorney, Agent, etc., or other representative is answerable for the doing of all such acts as are required by the Income and Business Tax Act for the assessment of any person for whom he acts and for the payment of Income Tax chargeable on him in respect of the Income of an incapacitated or non-resident person.

A person not resident in Belize is chargeable in the name of his Trustee, Attorney, Agent, Manager, etc., whether such Trustee, etc., has the receipt of the profits or gains or not.

The Manager or other principal officer of a Corporate Body of persons is answerable for doing all acts required by the Income and Business Tax Act for the assessment of the Corporate Body of persons and the payment of the tax.

The personal representative of a deceased person is chargeable with Income Tax for which the deceased person would have been assessable but for his death, and is answerable for doing all such acts as are required by the Income and Business Tax Act for the assessment of the tax.

Every person answerable in a representative capacity under the Income Tax Act for the payment of Income Tax may retain out of money coming into his hands in such capacity so much thereof as shall be sufficient to pay such Income Tax.

4. Wife's Income.

The income of a married woman living with her husband is deemed to be his income for the purposes of the Income and Business Tax Act.

5. Employment.

Income from any employment includes the estimated annual value of any quarters, board or residence, or any other allowance granted in respect of any employment, whether in money or otherwise.



6. Deductions Allowable In Computing Income.

The expenses which maybe deducted in computing income are broadly speaking expenses, not being capital expenditure, which are necessarily incurred for the purpose of acquiring the income.

The deductions allowable include:-

Sums expended for repairs of premises, plant and machinery employed in acquiring the income.

Debts proved to be bad and doubtful debts to the extent they are estimated to be bad.

Interest paid on any loan which is employed in acquiring the income on which Income Tax is payable. Where such interest is paid to a person not resident in Belize Income Tax at the rate of 25% is deductible by the payer and an account of the tax so deducted must be rendered to the Commissioner of Income Tax.

Rent of business premises and rates and taxes of real estate.

A reasonable amount for exhaustion, wear and tear of property, including plant and machinery used by the owner thereof for the purpose of acquiring income from a trade business, profession or vocation carried on by him (a separate claim must be made).

So much of any amount expended in replacing obsolete plant or machinery as is equivalent to the cost of the plant or machinery replaced after deducting (a) the total depreciation which has occurred since the plant was purchased, and (b) any sum realised by its sale (a separate claim must be made).

7. Deductions Which Are Not Allowed In Computing Income.

Any sums not wholly and exclusively incurred in acquiring the income.

Any sums paid as salaries or drawing of the proprietors or interest on their capital.  
Any expenses of maintenance of the persons assessable or any personal living or family expenses.

Any sums employed as capital or any capital withdrawn.

Any sums expended on improvement or written off for depreciation of land.

Examples of the expenditure which is not allowable are:-

- (a) The cost of bringing into cultivation lands previously in a ruinate or uncultivated condition.
- (b) Sums written off profits in respect of goodwill or repayment of borrowed capital.
- (c) The cost of any produce or other goods consumed by the proprietor or his family.
- (d) The rent or any other expenses of any house occupied for residential purposes by the person assessed. Where used partly for business purposes a proportion of the total expenses is disallowed.
- (e) The wages of upkeep of domestic servants (including grooms, chauffeurs, etc.), employed for the personal service of the taxpayer or his family, and the upkeep of motor cars used for private purposes.

#### 8. Reliefs That May Be Claimed.

- (a) Any individual who is resident in Belize or who in a British subject is allowed a deduction of \$500 in arriving at the income chargeable to tax.

- (b) A deduction of \$300 may be claimed by an individual resident in Belize or who is a British subject whose wife was living with or wholly maintained by him during the year immediately preceding the year of assessment.
- (c) A deduction of \$200 for each child, step-child or an adopted child under 16 at the commencement of the basis year or if over 16 years was at a university, school, etc.
- (d) A deduction of \$125 for each dependent relative maintained during the year incapacitated by age or infirmity from maintaining himself or being yours or your wife's widowed mother whether incapacitated or not.
- (e) A deduction may be claimed in respect of the annual amount of premiums paid on insurance made in any Insurance Company on the life of the taxpayer or his wife. The deduction allowable is, however, restricted to \$1,200 or one-sixth of the chargeable income, before making certain deductions, whichever may be less.
- (f) A deduction of one-tenth of the income with a maximum of \$500 is allowed from earned income.
- (g) Where both Belize Income Tax and United Kingdom Income Tax are paid on the same income for the same year of assessment.
- (h) Where a loss is sustained in any business, trade, profession or vocation carried on in Belize, the loss may be set against other income from such sources and where the other income from these sources is insufficient to absorb the loss it may be set against other income arising from business trade, profession or vocation, or the ownership or occupation of land for the succeeding five years. Provided that in no case is a set off allowed which will reduce the tax payable for any year of assessment to less than one-half the tax

otherwise payable.

- (i) Gifts to the value of \$500 or over for ecclesiastical, charitable, educational or cultural purposes. The deduction however is restricted to one-sixth of the chargeable income before making certain deductions.

**Form No. 2**

**EMPLOYERS**

**INCOME TAX**

Notice To Employer To Deliver Statement As To Persons  
Employed By Him  
(Income and Business Tax Act)

To .....

of .....

Take notice that you are hereby required to deliver to me, within .....days after the date of the service of this notice upon you, a full and correct statement, as required by section thirty-four of the Income and Business Tax Act of the names and places of abode of, and salary or wages paid to, all the persons employed by you.

Dated this ..... day of ..... 2 .....

.....  
*Assessor of Income Tax*

**N.B.** Section thirty-four of the Act is as follows:-

34. (1) The Commissioner may require any officer in the employment of the Government or any municipality or other public body to supply such particulars as may be required for the purposes of this Act and which may be in the possession of such officer.

(2) No officer mentioned in subsection (1) shall by virtue of this section be obliged to disclose any particulars as to which he is under any statutory obligation to observe secrecy.

(3) Every employer, agent, contractor, or other person when required to do so by notice from the Commissioner shall within the time limited in the notice, prepare and deliver for any year a return or returns containing such information as the Commissioner may think necessary for the purposes of this Act, and the provisions of this Act with respect to the failure to deliver returns or particulars in accordance with a notice from the Commissioner shall apply to any such return or returns.

(4) Where the employer, agent, contractor, or other person is a body of persons the manager or other principal officer shall be deemed to be the employer for the purposes of this section, and any director of a company, or person engaged in the management of a company, shall be deemed to be a person employed.

(5) Notwithstanding subsections (1) and (3), the Minister may make rules requiring any person to prepare and deliver returns containing any information required under this Act at such times and in such form as may be prescribed.

**Form No. 2  
(Reverse side)**

Name & Address (Surname preceding and in alphabetical order)	Salary or Wages		Commission		Bonus		Gifts, etc.		Board, Living, Free Quarters, Lighting, etc.		Total	

I certify that the above return is true and correct.

Dated and signed at ..... this ..... day of ....., 2 .....

THE SUBSIDIARY LAWS OF BELIZE

REVISED EDITION 2003

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No. 1 Power Lane,  
Belmopan, by the authority of  
the Government of Belize.

**Form No. 3****TRUSTEES, ATTORNEYS-AT-LAW, ETC.****INCOME TAX**Year of Assessment ending 31<sup>st</sup> December, 2 .....Return to be made of the Income of the preceding year ended 31<sup>st</sup> December, 2 .....

To .....

of .....

Under the provisions of section 27 of the Income Tax Act the Commissioner of Income Tax hereby gives you notice that the information as detailed under the several headings in the form overleaf is required to be furnished by you. The form must be completed and returned to this office on or before the ..... day of ..... 2 .....

.....  
Assessor of Income Tax

Dated this ..... day of ....., 2 .....

.....  
Assessor of Income Tax

Income Tax Office, Belize City,  
Name of person or firm making Return.  
Address  
District.  
Character of Business:-



**Form No. 3**

**LIST OF EVERY PERSON HAVING MONEY, OR VALUE BEING INCOME OF OR BELONGING TO ANY OTHER PERSON, CHARGEABLE TO INCOME TAX AND OF WHICH I HAVE THE CONTROL, OR AM, IN WHATEVER CAPACITY, IN RECEIPT, VIZ:**

Persons Resident in Belize and not under incapacity who are of full age - including Married Women - falling within the above Description

Persons who are not of full age or are under incapacity or who are not Resident in Belize and whose Income is Chargeable on their Trustees, Agents, Attorneys, or Representatives

Name of each person	Address	Amount and Description of Income	Capacity in which I have the control or am in receipt of the Income	Name of each person	Address	Amount and Description of Income	Capacity in which I am in receipt of the Income	Names of Trustees Agents etc., and capacity in which they act	Addresses of Trustees, Agents etc.

(If there are no persons liable to be included in this Return, it should be stated.)  
 I declare that all the particulars required in this Notice to be returned are in every respect fully and truly stated herein, according to the best of my knowledge and belief.

Given under my hand this ..... day of ....., 2 .....

Signed ..... Description ..... Address .....

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 the Government of Belize.

**Form No. 4****CONTRACTORS, ETC.****INCOME TAX**Year of Assessment ending 31<sup>st</sup> December, 2 .....

To .....

of .....

Under the provisions of section 34 (3) of the Income and Business Tax Act the Commissioner of Income Tax hereby gives you notice that the information as detailed under the several headings in the form overleaf is required to be furnished by you. The form must be completed and returned to this office on or before the ..... day of ....., 2 .....

Dated this ..... day of ....., 2 .....

.....  
 Commissioner of Income Tax

Income Tax Office, Belize City.  
 Name of person or firm making Return  
 Address  
 District.  
 Character of Business.

**Form No. 4  
(Reverse side)**

**CHICLE, RUBBER, MAHOGANY, CEDAR, LOGWOOD, ROSEWOOD, PINE,**

Name of Contractor (Surname preceding and in alphabetical order)	Address	Product, state whether chicle, coconuts or if wood kind of wood	Advances 2 _____	Total deliveries (feet, weight or number)	Total credits for deliveries	Amount due to or by contractor on				Cost of measuring wood		Value of draft animals, trucks, and wagons, stores and merchandise supplied contractor during the year (Give details as far as possible)	
						1st January 2 _____	31st December 2 _____	Dr	Cr	Dr	Cr		Total cost

I hereby certify that the above-mentioned return is true and correct in every particular.

Signed and dated at ..... this ..... day of ....., 2..... Signature

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Belmopan, by the authority of  
the Government of Belize.

**COCONUTS, ETC., AND OTHER PRODUCE  
Form No. 5**

**INCOME TAX**

**NOTICE REQUIRING A RETURN TO BE MADE**  
(Income and Business Tax Act - Section 31 (3))

To .....

of .....

Take notice that you are required to make and deliver to the Income Tax Commissioner at the Income Tax Office, Belize City, within ..... days after the date of the service of this notice on you a Return of your income in respect of the year ended on 31<sup>st</sup> day of December, 2 .....

Dated this ..... day of ....., 2 .....

.....  
Commissioner of Income Tax

**N.B.** (1) All Returns shall be made on the prescribed forms which may be obtained at the Income Tax Office, Belize City, or in the Districts.

(2) A person in the Districts (except Belize) may address his return to the Commissioner care of the District Office of the District where such person resides and deliver the same at the Treasury Office in that District.

Duplicate to be returned to the Assessor, after the affidavit of service has been sworn to.

**Form No. 5**

**INCOME TAX**

Duplicate to be returned to the Assessor, after the affidavit of service has been sworn to.

**NOTICE REQUIRING A RETURN TO BE MADE**

(Income and Business Tax Act, Section 31(3))

To .....

of .....

Take notice that you are required to make and deliver to the Income Tax Commissioner at the Income Tax Office, Belize City, within ..... days after the date of the service of this notice on you a Return of your income in respect of the year ended on the 31<sup>st</sup> day of December, 2 .....

Dated this ..... day of ....., 2 .....

.....  
Commissioner of Income Tax

**N.B.** (1) All Returns shall be made on the prescribed forms which may be obtained at the Income Tax Office, Belize City, or in the Districts.

(2) A person in the Districts (except Belize) may address his return to the Commissioner care of District Office of the District where such person resides and deliver the same at the Treasury Office in that District.

**AFFIDAVIT OF SERVICE**

I, ..... of ..... make oath and say that I served a true copy of the foregoing notice on ..... of ....., on the ..... day of ....., 2 ....., by delivering the same to him personally, or \* by leaving the same at his place of abode at ..... with one .....

Sworn to before me this ..... day of ....., 2 .....

.....  
Deponent

.....  
J. P.

\*Strike out the description not applicable to the manner in which the service was effected.

**N.B.** The person serving the notice should explain its purport to the person to whom it is delivered.

**Form No. 6**  
[Notice of Assessment]

**INCOME TAX**

**NOTICE OF ASSESSMENT UNDER SECTION 38  
OF THE INCOME AND BUSINESS TAX ACT**

<b>INCOME TAX YEAR 2 _____</b>						
Head	Source of Income	Amount		Allowances	Amount	
<b>A</b>	Profits from Trade, Profession or Business			Resident or British Subject		
<b>B</b>	Employment or Office			Wife		
<b>C</b>	Annual Value of Residence			Children		
<b>D</b>	Dividends, Interest or Discounts			Dependant Relative		
<b>D1</b>	Dividends, Interest, Discounts, etc. arising outside the Territory			Earned Income		
<b>E</b>	Pension, Charge or Annuity			Life Assurance, etc.		
<b>F</b>	Profits from Property, Rents Royalties, Premiums			Wear & Tear		
<b>G</b>	Wife's Income			Trade Loss		
<b>H</b>	Casual Profit			Balancing Allowances		
<b>TOTAL INCOME ASSESSED</b>				<b>TOTAL ALLOWANCES</b>		

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Chargeable Income			Income Tax Payable	Surtax Payable		
Total Income Assessed			Income Tax Chargeable	Chargeable Income		
Less Allowances			Less Relief under S.22 of the IBTA.	Less	8000	00
Chargeable Income			Less Tax Credit	Excess Chargeable to Surtax		
			Tax Due	Surtax Due		

### NOTICE TO PAY

The amount of tax due by you is shown at the bottom of this page in the right hand corner. It should be paid **WITHIN THIRTY DAYS** from the date of this notice.

Alternatively, you may make arrangements to pay your tax by instalments unless your employer has been instructed to recover it from your salary or wages. This should be done before the expiry of the thirty days mentioned above.

If the tax becomes overdue a surcharge of **EIGHT PER CENT** will be added to the unpaid balance of your account.

Tax is payable at the Income Tax Office, Belize City or at the District Office of the District in which you reside.



<b>Date</b>	<b>File No.</b>	<b>List No.</b>	<b>Asst. No.</b>	<b>Balance b/f</b>	<b>Chargeable Income</b>	<b>Income Tax</b>	<b>Surtax</b>	<b>TOTAL DUE</b>
					<b>AMOUNT DUE</b>			

**Form No. 6  
(Reverse Side)**

**RIGHT OF APPEAL**

If you dispute the attached assessment you may apply to the Commissioner by notice in writing stating the precise grounds on which you dispute the assessment to review and revise the assessment. Such notice must be sent to the Commissioner within 15 days of the service on you of the notice of assessment.

If you have disputed an assessment but are unable to agree with the Commissioner as to the amount at which you are liable to be assessed you will be informed in writing by the Commissioner of the amount at which you have been assessed. You may within 15 days of the service on you of the Commissioner's written notification, apply to the Income Tax Appeal Board to hear and determine your objection and shall set forth as the grounds of your objection the grounds stated in writing in your notice to the Commissioner.

If due to sickness, absence from the country or other reasonable cause you are unable within the appropriate time to make an application to the Commissioner for review or to apply to the Income Tax Appeal Board requesting it to hear and determine your objection you may apply to the Board to extend the time and the Board may grant such extension as it thinks reasonable.

Commissioner of Income Tax

**RATES OF INCOME TAX AND SURTAX**

**Income Tax**

Companies (percentage of chargeable income) .....	40%
Other persons (per \$ of Chargeable income)	
Minimum tax 50 cents)	
First \$500 .....	5%
Next \$500 .....	6%
Next \$500 .....	8%
Next \$500 .....	10%
Next \$500 .....	12%
Next \$500 .....	15%
Next \$500 .....	17½%
Next \$1,000 .....	20%
Next \$4,500 .....	25%
Next \$10,000 .....	30%
Next \$6,000 .....	40%
Remainder .....	45%

**Surtax**

Persons other than companies (per \$ of Chargeable income)

First \$8,000 .....	Nil
Next \$2,000 .....	10%
Next \$2,000 .....	15%
Next \$5,000 .....	20%
Remainder .....	25%

**Form No. 7  
(Fire Insurance)**

E 36

**INCOME TAX  
(Income and Business Tax Act)**

I, ..... of .....  
as the ..... do hereby declare that the statement or statements herein, or  
herein referred to and appended hereto, is a full, just and true Return of the income of the  
..... in respect of the year ended on the ..... day of  
....., 2 ....., estimated to the best of my knowledge and belief, according to the  
directions and Rules of the said Act.

Given under my hand this ..... day of ....., 2 .....

.....

Witness .....

**Form No. 7  
(Reverse side)**

**FIRE INSURANCE**

..... Agency.

Quarter	Gross Premiums and Interest etc. received or collected in Belize	Re-insurance Premiums	Net Premiums	Commission	Expenses	Net losses by Fire and expenses charged in account i.e. Less Re-insurances	Net losses by Fire outstanding i.e. Less Re-insurances	
							Policy No.	Estimated Amount
1 <sup>st</sup>								
2 <sup>nd</sup>								
3 <sup>rd</sup>								
4 <sup>th</sup>								

**RECAPITULATION**

Net Premium .....  Premium Reserve (for unexpired risk)  <div style="text-align: right;">2 .....</div> <div style="text-align: right;">% .....</div>			Commission .....  Expenses .....  Losses by Fire charged in account .....  % on Net Premiums for Head  Office .....  Expenses .....  Premium Reserve (for unexpired red risks)  <div style="text-align: right;">2 .....</div> <div style="text-align: right;">% .....</div>		

**Form No. 8**

**Demand Note**

**DEMAND FOR PAYMENT**

This demand note is served on you for payment of the under-mentioned tax which was payable on or before ..... 2 .....

Please take note that if the total amount due is not paid **WITHIN THIRTY DAYS** of the service of this demand you will be taken to court to recover the same.

The amount due should be remitted by crossed cheque or money order accompanied by this demand note. It may also be paid personally at the Income Tax Office, Belize City, or at the District Office of the District in which you reside during normal office hours.

Commissioner and Chief  
Collector of Income Tax

Date	File No.	List No.	Asst. No.	Balance b/f	Chargeable Income	Income Tax	Surtax	TOTAL DUE
				Surcharge				
				Tax now due				

**CHAPTER 55****RULES GOVERNING THE PAYMENT OF INCOME TAX****ARRANGEMENT OF RULES**

1. Short title.
2. Commencement.
3. Definitions.
4. Registration of employers.
5. Withholding.
6. Other individuals.
7. Companies and bodies corporate.
8. Surcharge.
9. Employee to file with employer.
10. Amounts to be withheld.
11. Payments of amounts withheld.
12. Special Rules.
13. Books and Records.
14. Audit.
15. Information Returns.



**CHAPTER 55**

**RULES GOVERNING THE PAYMENT OF INCOME TAX**

*(Sections 38 and 94)*

52 of 1970.  
8 of 1975.  
16 of 1979.  
Ch. 46.

*[1<sup>st</sup> January, 1971]*

Short title.

- 1. These Rules may be cited as the

**RULES GOVERNING THE PAYMENT OF INCOME TAX.**

Commencement.

- 2. These Rules shall come into operation on the first day of January, 1971.

Definitions.

- 3. In these Rules –

CAP. 55.

(a) “Act” means the Income and Business Tax Act;

(b) “Commissioner” means the Commissioner of Income Tax;

(c) “Emoluments” includes all salaries, fees, wages, perquisites, profits or gains whatsoever arising from an office or employment or the amount of any annuity, pension or charge; and references to “payments of emoluments” include payments on account of emoluments;

(d) “employed” means performing the duties of an office or employment;

(e) “employee” means any person in receipt of emoluments, and includes an officer;

- (f) “employer” means a person liable to pay emoluments whether on his own account or on behalf of another person, and in relation to an officer, means the person from whom the officer receives his emoluments;
- (g) “employment” means the performance of services under an express or implied contract of service or apprenticeship and includes the tenure of an office;
- (h) “office” means the position of an individual entitling him to a fixed or ascertainable stipend or remuneration and includes a judicial office, the office of a Minister of the Crown, the office of a Member of the House of Representatives or Senate of Belize and any other office the incumbent of which is elected by popular vote or is elected or appointed in a representative capacity, and also includes the position of a company director; and  
“officer” means an individual holding such an office;
- (i) “person” includes a body of persons; and
- (j) “personal allowances” and “personal reliefs” in these Rules mean the aggregate of the deductions allowed under Sections 16 and 17 of the Act.

Registration of employers.

4. (1) Every person who carries on or is about to carry on any trade, business, profession or vocation in respect of which he is or will be an employer shall on or before the 15<sup>th</sup> day of January, 1971 or within fifteen days of the commencement of such trade, business, profession or vocation register with the Commissioner by filing a return containing:

- (a) his name and address;
- (b) the names and addresses of partners, if any;
- (c) the trade or business name or style, if any, under which the trade, business, profession or vocation is carried on;
- (d) the place or places and address or addresses where he carries on or intends to carry on the trade, business, profession or vocation;
- (e) the nature of the trade, business, profession or vocation;
- (f) the number or estimated number of employees; and
- (g) the date on which he proposes to first hire employees in cases where he commences a trade, business, profession or vocation after the 1<sup>st</sup> January, 1971.

(2) In the case of a partnership or a body of persons, the precedent partner as defined in subsection (2) of section 35 of the Act or the manager or principal officer respectively shall file the return specified by paragraph (1) of this rule.

(3) Upon receipt of the return required by paragraph (1) of this rule the Commissioner shall assign an Employer Registration Number to the person filing the return and issue an Employer Registration Notice.

Withholding.

5. (1) Every person paying emoluments to an individual shall deduct or withhold therefrom such amount as prescribed and shall remit the amount so deducted or withheld to the Commissioner as hereinafter provided on account of the payee's tax.

(2) When an amount has been deducted or withheld under paragraph (1) of this rule and as hereafter prescribed the amount so deducted or withheld shall be deemed to have been paid to the employee entitled to the emoluments from which the same was deducted.

(3) Where-

- (a) the total income of an individual comprises emoluments only, and
- (b) amounts have been deducted or withheld under paragraph (1) of this rule from his emoluments such individual shall pay to the Commissioner any remainder of tax payable by him for the basis year on or before the last day of the third month after the end of the basis year in respect of which the tax is chargeable.

(4) Where-

- (a) the income of an individual includes emoluments as well as income from other sources, and
- (b) amounts have been deducted or withheld under paragraph (1) of this rule from his emoluments and in respect thereof such individual shall pay to the Commissioner any remainder of tax payable by him for the basis year on or before the last day of the third month after the end of the basis year in respect of which the tax is payable: Provided that the total emoluments from which tax was deducted during the basis year exceeds three quarters of the total income of the individual.

Other individuals.

6. Every individual other than one to whom rule 5 applies, shall pay to the Commissioner:

- (a) on or before the last day in the months of March, June, September and December in each basis year, on account of tax for each such year, one-quarter of an amount obtained by calculating the tax for each year at the rates prescribed on the estimated chargeable income of each such individual for each basis year on his chargeable income for the preceding year, and
- (b) the remainder of tax payable by each such individual for each basis year on or before the last day of the third month after the end of each basis year respectively.

Companies and bodies corporate.

7. Every company and body corporate shall pay to the Commissioner:

- (a) on or before the last day of the third, sixth, ninth and twelfth months of each basis year, on account of tax for each such year, one-quarter of an amount obtained by calculating the tax for each year at the rates prescribed on its estimated chargeable income for each basis year or on its chargeable income for the preceding year, and
- (b) the remainder of its tax for each basis year on or before the last day of the third month after the end of each basis year respectively.

Surcharge.

8. (1) If any tax or amount is not paid as prescribed by rule 5, 6 or 7, as the case may be, the surcharge under section 55 of the Act shall be levied.

(2) For the purposes of paragraph (1) of this rule, where a taxpayer is required to pay a part or instalment of tax for a basis year calculated on the chargeable income for a preceding year or on his estimated chargeable income for the year, he shall be deemed to have been liable to pay a part or instalment computed by reference to the chargeable income for

(a) the preceding year, or

(b) the basis year,

whichever is the lesser.

Employee to file  
with employer.

9. (1) Every individual whose employer is required to deduct or withhold any amount from his emoluments under rule 5 shall on the day on which his employment commences, and within seven days of the day on which a change occurs in the personal allowances to which he is entitled, file with his employer a declaration in respect of his personal allowances on the form prescribed in the Schedule hereto and therein numbered TD1.

(2) Every person failing to file a declaration as required by paragraph (1) of this rule shall be liable to have the deduction or withholding from his emoluments made as though he was an unmarried person without dependants.

Amounts to be  
withheld.

10. For the purposes of rule 5 the amount to be deducted shall be ascertained, having regard to the amount of emoluments paid to an employee, the length of the pay period and the employee's personal allowances as declared by him on his declaration filed under the provisions of rule 9, by reference to the Tables prescribed in the Schedule hereto and therein numbered TD 18.

Payments of  
amounts withheld.

11. (1) Amounts deducted and withheld from emoluments under the provisions of rule 5 shall be paid to the Commissioner on or before the tenth day of the month next succeeding the month in which the emoluments were

paid, except where an employer has ceased to carry on business in which case any amount deducted or withheld by such employer that has not been paid to the Commissioner shall be paid within 7 days of the day when the employer ceased to carry on business.

(2) Payments made to the Commissioner under rule 5 shall be accompanied by a return in the form prescribed in the Schedule hereto and therein numbered TD 2.

Special Rules.

12. (1) No action lies against any person for deducting or withholding any sum of money in compliance or intended compliance with these Rules in the absence of proof of malice.

(2) Where these Rules require an amount to be deducted or withheld, an agreement by the person upon whom the obligation is imposed not to deduct or withhold that amount or any portion thereof shall be void.

(3) Where an amount has been deducted from the emoluments of an employee under these Rules but has not been remitted to the Commissioner, such amount shall be kept separate and apart from all other monies in his possession and shall be deemed to be held in trust for the Crown.

(4) In the event of the death, liquidation, assignment or bankruptcy of an employer, an amount equal to the amount that by paragraph (3) is deemed to be held in trust for the Crown shall be deemed to be separate from and to form no part of the estate of the deceased employer or the estate in liquidation, assignment or bankruptcy, whether or not that amount has in fact been kept separate and apart from other monies or assets of the estate.

(5) Every assignee, liquidator, administrator, executor or other like person, other than a trustee in bankruptcy, shall before distributing any property in his possession or under his control, obtain a certificate from the Commissioner certifying that all amounts payable under these Rules and that are chargeable against or payable out of the property in his possession or under his control

have been paid, and any such person who distributes any such property without having obtained a certificate as prescribed by this paragraph shall be personally liable for all unpaid amounts.

(6) Where a person on whose behalf amounts have been deducted or withheld under the provisions of rule 5 was not liable to pay any tax or where the aggregate of the amounts so deducted or withheld is in excess of the tax that he was liable to pay for the basis year, the Commissioner shall pay to him the amounts so deducted or withheld or such part thereof as he was not liable to pay provided that:

- (a) he has filed a return of income for the basis year under the provisions of section 30 (2) of the Act, and
- (b) he has made application for refund of the overpayment within six years of the end of the basis year, and
- (c) he is not otherwise liable or about to become liable to make a payment under the provisions of the Act or these Rules, in which case the Commissioner may apply the amount otherwise payable under this paragraph to that payment and notify him thereof.

Books and Records.

13. (1) Every person paying emoluments shall keep records and books of account at his place of business or residence in Belize or at such place as may be designated by the Commissioner, in such form and containing such information as will enable any deduction or withholding required under these Rules to be determined, and where any such person has failed to keep adequate records and books of account, the Commissioner may require him to keep such records and books of account as he may specify, and the person shall hereafter keep records and books of account as so required.



(2) Every person required by this rule to keep records and books of account shall retain every such record or book of account or voucher necessary to verify the information contained therein for a period of six years unless written approval has been granted by the Commissioner for a shorter period.

(3) The Commissioner may require any person paying emoluments to give to each payee, at the time the payment is made a statement of the emoluments paid for the pay period and of the tax withheld therefrom.

Audit.

14. (1) Any person thereunto authorized in writing by the Commissioner for any purpose relating to the administration or enforcement of these Rules may, at any reasonable time, enter any premises or place where any records or books of account are kept or should be kept and

(a) audit or examine any books, records, writings or other documents which relate or may relate to the information that is or should be contained in such records or books of account or to the amount of any deduction or withholding required under these Rules;

(b) require the owner, occupier or person in charge of the premises or place to give him all reasonable assistance in connection with his audit or examination and to answer all proper questions relating to the audit or examination; and for that purpose require the owner, occupier or person in charge of the premises or place to attend at such premises or place with him.

(2) The Commissioner may, for any purpose relating to the

administration or enforcement of these Rules, by registered letter or by demand served personally, require from any person:

- (a) any information or additional information, including any information return or supplementary return, or
- (b) the production of any book, record, writing or other document, within such reasonable time as is stipulated in such letter or demand.

Information  
Returns.

15. (1) Every person who has paid emoluments during a year shall make a return in respect of the payments so made on the forms prescribed in the Schedules hereto and therein numbered TD 4, and entitled Summary and Supplementaries.

(2) All returns required under paragraph (1) of this rule shall be filed with the Commissioner without notice or demand on or before the last day of February in each year and shall be in respect of the preceding calendar year, except as otherwise specifically provided in paragraph (3) of this rule.

(3) Where a person, who is required to make a return under paragraph (1) of this rule discontinues his trade, business, profession or vocation, the return shall be filed within 30 days of the day of the discontinuance of the trade, business, profession or vocation and shall be in respect of any calendar year or a portion thereof prior to the discontinuance of the trade, business, profession or vocation for which a return has not previously been filed.

(4) Every person required by paragraph (1) of this rule to file a return shall forward to each individual in respect of whose income the return relates, two copies of the portion of the return relating to such individual. The copies referred to shall be sent to the individual at his last known address, or delivered to him in person, on or before the date the return is required to be filed with the Commissioner.

(5) Any return which is not furnished within the time specified in paragraph (2) shall be deemed to be in default.

(6) Any person who fails or neglects or defaults in any way in complying with the provisions of this rule shall be liable on summary conviction to a fine not exceeding one hundred dollars and in default of payment to imprisonment for a term not exceeding one month. Such person shall in addition be liable to a penalty of twenty dollars a month for each month or part thereof during which the return was in default; provided that such penalty shall not exceed two hundred dollars.

### **SCHEDULE**

The relevant forms were not printed with this Statutory Instrument.

**CHAPTER 55****INCOME TAX (DEDUCTION FROM EMOLUMENTS) RULES****ARRANGEMENT OF RULES**

1. Short title.
2. Interpretation.
3. Notification of tax to be deducted.
4. Contents of notification.
5. Deduction of tax by employer.
6. Deduction period.
7. Restriction of deduction in certain cases.
8. Amending notifications.
9. Assessments under appeal.
10. Particulars of employees leaving, etc.
11. Payment of tax by employer.
12. Employer failing to deduct tax.
13. Employer failing to pay tax to collector.
14. Return to be rendered by employer at end of deduction period.
15. Issue of certificate of tax deducted.
16. Liability to render returns on death of employer.
17. Recovery of tax not included in notification.
18. Recovery if tax included in notification but not deducted.
19. Schedules of discharge and proof of arrears.
20. Summary proceedings.
21. Power of Commissions to issue precepts, etc.
22. Service by post of notifications.
23. Saving.

**CHAPTER 55**

**INCOME TAX (DEDUCTION FROM EMOLUMENTS) RULES**

*(Section 94)*

Ch. 38.

Ch. 46.

Short title.

1. These Rules may be cited as the

**INCOME TAX (DEDUCTION FROM EMOLUMENTS) RULES.**

Interpretation.

2. In these Rules, unless the context otherwise requires -

“assessment” means an assessment made in accordance with sections 38 to 44 of the Income and Business Tax Act;

“notification” means a notification issued to an employer by the Commissioner and Chief Collector of Income Tax requiring him to deduct tax in accordance with these Rules.

Notification of tax to be deducted.

3. (1) Where an employee has been charged to tax, and his employer for the time being is required by the Commissioner and Chief Collector, by means of a notification issued in that behalf, to deduct tax, or any part of the tax, from any emoluments which he pays to the employee, the employer shall deduct such tax in accordance with these Rules.

(2) The tax included in a notification may extend to tax charged in respect of the year of assessment then current or to tax charged in respect of any previous year of assessment or to both.

(3) Where the employee is a married woman, the tax charged in respect of her emoluments may be included in a notification to her employer as if she had been assessed and charged in her own name, whether or not she had

been so assessed and charged, and these Rules shall have effect accordingly.

(4) Any employee whose tax is to be notified to his employer for deduction shall be informed to that effect in such manner as the Commissioners may direct.

Contents of  
notification.

4. The notification shall specify the name of the employee, the amount of tax which the employer is required to deduct, and the period during which the tax is to be deducted (referred to in these Rules as “the deduction period”); but save as aforesaid it shall not disclose any particulars whatever relating to the income of the employee, or to the relief from income tax to which he is entitled or to the year for which, or the source of the emoluments in respect of which, the tax is charged.

Deduction of tax  
by employer.

5. (1) Upon receipt of a notification the employer shall deduct the tax specified in the notification in equal instalments from all payments of emoluments which he makes to the employee during the declaration period:

Provided that where one part of the total emoluments is paid at longer intervals than another part, the Commissioner and Chief Collector may determine the amount of each instalment, and the employer shall thereupon deduct the tax in such instalments as the Commissioner and Chief Collector shall have determined.

(2) For the purposes of these Rules instalments shall be deemed to be equal if they are equal to the nearest cent.

Deduction period.

6. (1) The deduction period shall be the period beginning on the day following the day on which the notification is issued by the Collector and ending on the following 31st December.

Provided that where the notification is issued after the 30th September the deductions shall be spread over a period of not less than three months:

Provided further that the first deduction period may at the

discretion of the Collector be extended to 30th if the tax included in the notification includes tax charged in respect of any year of assessment prior to 1957.

(2) If a notification is not received by the employer in sufficient time for tax to be deducted from the first payment of emoluments made during the deduction period, the employer may make that payment without any deduction of tax, and in that event the deduction period, for the purpose of determining the amounts of tax to be deducted from subsequent payments, shall be deemed to begin on the day following the day on which the payment was made.

7. (1) If, in the case of any employee paid weekly, the gross amount of any payment of emoluments from which an instalment of tax is to be deducted would be reduced by that deduction to an amount less than eleven dollars and fifty cents, the employer shall deduct so much only of that instalment as will reduce the gross amount of the payment to eleven dollars and fifty cents:

Restriction of deduction in certain cases.

Provided that any employee who signs and delivers to his employer a declaration to the effect that he is entitled under the Income and Business Tax Act to the personal allowance applicable to a married person shall be entitled to have eighteen dollars substituted for eleven dollars and fifty cents in determining the restriction to be made under this rule of the tax to be deducted.

(2) Any employee who is paid monthly shall be entitled to have the tax deducted from his emoluments restricted in like manner as in paragraph (1) of this rule, but in his case forty-six dollars and seventy-two dollars shall be substituted for eleven dollars and fifty cents and eighteen dollars respectively.

(3) Where a deduction has been restricted by virtue of the foregoing paragraphs of this rule the balance of the instalment shall, subject to the provisions of the said paragraphs, be deducted in equal instalments from the payments of emoluments made during the remainder of the deduction period, provided that should any balance remain outstanding at the end of the deduction period such amount shall, to the maximum extent possible under the provisions

of the aforesaid paragraphs, be deducted in instalments from the payments of emoluments until the full amount has been paid or a further notification has been issued.

(4) Where an employee leaves his employment during the deduction period, the deduction from the last payment by the employer shall be the balance of the tax outstanding subject to the restrictions in paragraphs (1) and (2).

Amending  
notifications.

8. (1) At any time before the end of the deduction period the Commissioner and Chief Collector may issue a notification amending the amount of tax shown by any previous notification as deductible during that period.

(2) If the amount of tax already deducted is less than such amended amount, the difference between those two amounts shall be treated as the tax to be deducted in accordance with rule 5 during the remaining part of the deduction period.

(3) If the amount of tax already deducted is equal to or greater than such amended amount, no further tax shall be deducted by the employer during that deduction period and any necessary repayment shall be made to the employee by the Commissioner.

Assessment under  
appeal.

9. Where an appeal or objection has been made by an employee against an assessment the Assessor of Income Tax shall, as soon as may be, issue to the Commissioner and Chief Collector a statement showing the amount of tax not in dispute, and, so long as the appeal or objection remains undetermined, that amount shall thereafter be regarded for the purposes of these Rules as the amount of tax payable under that assessment:

Provided that if the employee claims that the amount of tax not in dispute is less than the amount shown on the Assessor's statement the amount not in dispute shall be determined by the Appeal Board by whom an appeal



against the assessment falls to be heard, and thereupon the statement shall be amended or confirmed in accordance with that determination.

10. Not later than the 14<sup>th</sup> day of every month the employer shall render to the Commissioner and Chief Collector a return as regards each employee in respect of whom he has received a notification and to whom he has ceased at any time during the previous month to pay emoluments showing –

Particulars of employees leaving, etc.

- (a) the name and last known address of the employee,
- (b) the date upon which the payment of emoluments ceased,
- (c) the total amount of tax deducted during the deduction period in which the payment of emoluments ceased, and
- (d) the total amount of emoluments of the employee for the period since the previous 1<sup>st</sup> January, up to and including the date on which the payment of emoluments ceased.

11. (1) Not later than the 14<sup>th</sup> day of every month the employer shall pay to the Commissioner and Chief Collector all amounts of tax which he has deducted under these Rules during the preceding month.

Payment of tax by employer.

(2) The Commissioner and Chief Collector shall give the employer a receipt on the prescribed form for the total amount so paid.

(3) Any amount of tax which an employer is required to pay to the Commissioner and Chief Collector under this rule shall be a debt due to the Crown from the employer which without prejudice to any other method of recovery shall be recoverable summarily as a civil debt.

Employer failing to deduct tax.

12. If the employer fails willfully and without reasonable cause to deduct any amount of tax which he is required under these Rules to deduct, he shall nevertheless remain liable to pay the said amount to the Commissioner and Chief Collector as if he had deducted it, and the provisions of rules 11 and 13 shall, with the necessary modifications, apply to the payment and recovery of, and the giving of a receipt for, any such amount.

Employer failing to pay tax to collector.

13. (1) Whereas regards any employee the Commissioner and Chief Collector has reason to believe that the employer has in respect of any month during the deduction period failed to pay by the date specified in rule 11 the tax which he is required to pay to the Commissioner and Chief Collector in accordance with that rule, he may give notice accordingly to the Commissioner who made the assessment in respect of which the tax is charged, and thereupon the Commissioner shall require the employer to deliver to him within the time specified a schedule containing particulars of the emoluments paid, the amount of tax deducted and such other information as they may deem necessary.

(2) The Commissioner shall determine the amount of tax which the employer was liable to pay as aforesaid and shall certify under his hand the amount so determined and the amount which remains unpaid; and a certificate given by the Commissioner and purporting to be given in pursuance of this rule shall be evidence that the sum mentioned therein as being unpaid is unpaid and is due and owing to the Crown.

Return to be rendered by employer at end of deduction period.

14. Not later than the 14th day of the month following the end of the deduction period the employer shall render a return to the Collector showing in respect of each amount of tax which he has been required to deduct the total amount deducted during the period and the amount, if any, which he has been unable to deduct, together with the reason for the non-deduction.

Issue of certificate of tax deducted.

15. After the end of any deduction period the employee may apply to the Commissioner and Chief Collector for a certificate of the amount of tax which has been deducted from his emoluments during that deduction period.

16. In the event of the death of an employer, any return which deceased would have been liable to render under rule 10 or rule 14 shall be rendered -

Liability to render returns on death of employer.

- (a) in the case of an employer paying emoluments on his own account, by the personal representative of the deceased; and
- (b) in the case of the employer paying emoluments on behalf of another person, by the person succeeding him, or, if there is no such person succeeding him, by the person on whose behalf the deceased paid emoluments.

17. Any tax which is not included in any notification may be recovered in the manner provided by the Income and Business Tax Act.

Recovery of tax not included in notification.  
CAP. 55.

18. Except where the employer is liable under rule 12, any amount of tax which has been included in a notification but has not been deducted from emoluments paid to the employee shall be deemed to have become payable on the date on which it would have become payable if it had not been included in any notification, and may be recovered from the employee in like manner as tax which has not been included.

Recovery of tax included in notification but not deducted.

19. (1) At such times as the Commissioner may appoint, the Assessor of Income Tax shall prepare and sign schedules of tax which has been discharged for causes allowed by the Income and Business Tax Act, and shall transmit them to the Commissioners.

Schedules of discharge and proof of arrears.  
CAP. 55.

(2) Where tax is in arrears, a certificate by the Assessor of Income Tax that the tax has been charged and is due, together with a certificate by the Chief Collector that payment of the tax has not been made to him, or to the best of his knowledge and belief to any other person on his behalf, shall be *prima*

*facie* evidence that the sum mentioned in the certificate is unpaid and is due and owing to the Crown.

Summary  
proceedings.  
CAP. 55.

20. Arrears of income tax falling within these Rules may be recovered by the Commissioner and Chief Collector in accordance with the provisions of the Income Tax Act.

Power of  
Commissioners to  
issue precepts, etc.

21. For the purpose of determining any matter which under the provisions of these Rules they are required to determine, the Commissioner may -

(a) require any employer or employee to furnish such particulars as they deem necessary;

(b) require any employer or employee to attend before them to be examined orally; and

(c) summon and examine witnesses in like manner as the Appeal Board in the matter of determining appeals against assessments under the Income and Business Tax Act.

CAP. 55.

Service by post of  
notifications.

22. Any notification which under these Rules is authorised to be issued by the Commissioner and Chief Collector may be sent by post.

Saving.

23. Nothing in these Rules regarding deduction of tax shall affect the deduction of tax in any case where tax is deductible from emoluments otherwise than by virtue of these Rules.

**CHAPTER 55**

**INCOME TAX (EXIT CERTIFICATE) RULES**

**ARRANGEMENT OF RULES**

1. Short title.
2. Exit certificates.
3. Declarations.
4. Returns.

**SCHEDULE A**

**SCHEDULE B**

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10 of 1970.  
Ch. 46.

**CHAPTER 55**

**INCOME TAX (EXIT CERTIFICATE) RULES**  
*(Section 94)*

*[21<sup>st</sup> February, 1970]*

Short title.

1. These Rules may be cited as the

**INCOME TAX (EXIT CERTIFICATE) RULES.**

Exit certificates.

2. At every port of exit excepting Belize City and Philip S.W. Goldson International Airport, the Immigration Officer is authorised to issue exit certificates to any person other than residents of Belize District upon the person seeking such certificate signing the declaration in Schedule A hereto.

Schedule A.

Declarations.

Schedule B.

3. The Immigration Officer will on issue of an exit certificate make a declaration in the form at Schedule B hereto.

Returns.

4. The Immigration Officer shall forward at the end of each month a return of all exit certificates to the Chief Collector of Income Tax together with all declarations made for the issue thereof.

**SCHEDULE A**

**[Rule 2]**

I, ..... hereby declare that I have complied with the Income and Business Tax Act and the Rules and Regulations made thereunder with respect to the payment of income tax.

.....  
Signature

**SCHEDULE B**

Name of Taxpayer:  
Occupation:  
Address:

**EXIT CERTIFICATE**

Whereas the Income and Business Tax Act provides under section 60 that no person shall leave or attempt to leave Belize unless he first procures from the Commissioner and Chief Collector of Income Tax a certificate stating that he does not owe any income tax or that he has made satisfactory arrangements for the payment of any income tax payable by him.

And Whereas the taxpayer whose name is mentioned above intends to depart from this country and has filed a declaration with the Immigration Officer ..... showing that he/she has complied with the requirements of the Income and Business Tax Act of Belize and the Rules and Regulations made thereunder with respect to the payment of tax.

Therefore I, ..... Immigration Officer ..... the duly authorised agent of the Commissioner and Chief Collector of Income Tax for the ..... District, believing the statement to be true, issued exit certificate No. .... dated ..... without relinquishment of the right of the Chief Collector of Income Tax to verify the said statement and to take legal proceedings if necessary.

.....  
Immigration Officer



**CHAPTER 55**

**INCOME TAX (DEDUCTIONS FROM GOVERNMENT  
EMPLOYEES) RULES**

**ARRANGEMENT OF RULES**

1. Short title.
2. Interpretation.
3. Deduction of tax.

**CHAPTER 55**

Ch. 38.

Ch. 46.

**INCOME TAX (DEDUCTIONS FROM GOVERNMENT  
EMPLOYEES) RULES***(Section 94)*

Short title.

1. These Rules may be cited as the

**INCOME TAX (DEDUCTIONS FROM GOVERNMENT  
EMPLOYEES) RULES.**

Interpretation.

2. In these Rules

CAP. 55.

“Act” means the Income and Business Tax Act;

“employee” means a person in receipt of emoluments or a pension payable out of the revenue of Belize;

“employer” means the officer of the Government of Belize who, for the time being, controls the vote or votes from which any emoluments or pensions are payable.

Deduction of tax.

3. Where any employee has not -

- (a) paid the tax to which he has been charged under the Act, or

- (b) made arrangements with the Commissioner and Chief Collector to pay such tax by instalments,

within forty days after the date of service of a notice of assessment upon him, then the Income Tax (Deduction from Emoluments) Rules shall apply, *mutatis mutandis*, to such employee and his employer, as they apply to employers and employees under the Income Tax (Deduction from Emoluments) Rules.